

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

In Re:)
THE FINANCIAL OVERSIGHT AND)
MANAGEMENT BOARD FOR PUERTO RICO,) No. 17 BK 3283-LTS
as representatives of)
THE COMMONWEALTH OF PUERTO RICO,)
et al,)
Debtors)

STATUS CONFERENCE

BEFORE THE HONORABLE JUDITH GAIL DEIN
UNITED STATES MAGISTRATE JUDGE

United States District Court
1 Courthouse Way, Courtroom 8
Boston, Massachusetts 02210
May 29, 2018
1:35 p.m.

Debra D. Lajoie, RMR, FCRR, CRI
United States District Court
1 Courthouse Way, Room 3-209
Boston, Massachusetts 02210
lajoiedebr@gmail.com

A P P E A R A N C E S:

ANDREW J. SOVEN, ESQ., and CLAUDIA Z. SPRINGER, ESQ., Reed Smith LLP, for Siemens Transportation Partnership Puerto Rico, SE

MARGARET DALE, ESQ., and TIMOTHY MUNGOVAN, ESQ., Proskauer Rose LLP, for The Financial Oversight and Management Board for Puerto Rico on its own behalf and as Representative of Puerto Rico Highways and Transportation Authority

HERMANN D. BAUER ALVAREZ, ESQ., O'Neill & Borges, for The Financial Oversight and Management Board for Puerto Rico and Puerto Rico Highways and Transportation Authority

MARIA DELORES TRELLES HERNANDEZ, ESQ., Pietroanoni Mendez & Alvarez LLC, for Government Development Bank of Puerto Rico

GISELLE LOPEZ SOLER, ESQ., Law Offices of Giselle Lopez Soler, for Government Development Bank of Puerto Rico

LUIS C. MARINI, ESQ., Marini Pietrantoni Muniz LLC, for Puerto Rico Fiscal Agency and Financial Advisory Authority

P R O C E E D I N G S

THE CLERK: The United States District Court for the District of Puerto Rico is now in session on May 29, the year 2018, in the matter of The Financial Oversight and Management Board for Puerto Rico, as representative of the Commonwealth of Puerto Rico, et al; and also in the matter of Siemens Transportation Partnership Puerto Rico, SE v. Puerto Rico Highways and Transportation Authority, et al; Case Nos. 17BK3283, Adversary Proceeding No. 18-030, and Bankruptcy No. 17BK03567.

Magistrate Judge Dein presiding.

THE COURT: Okay. Counsel need to introduce themselves for the record, who's here.

MR. SOVEN: Good afternoon, Your Honor.

Andrew Soven and Claudia Springer for Siemens.

MS. DALE: Good afternoon, Your Honor.

Margaret Dale for the Defendant, the Oversight Management Board of Puerto Rico on its own behalf and as a representative of the Puerto Rico Highways and Transportation Authority.

MR. MUNGOVAN: Good afternoon, Your Honor.

Timothy Mungovan from Proskauer Rose on behalf of the Oversight Board and HTA.

MR. BAUER: Good afternoon, Your Honor.

1 Hermann Bauer from O'Neill & Borges on behalf of
2 the Oversight Board and HTA.

3 MS. TRELLES: Good afternoon, Your Honor.

4 Maria Trelles from Pietranoni Mendez & Alvarez
5 for GDB.

6 MS. SOLER: Good afternoon, Your Honor.
7 Giselle Lopez Soler on behalf of GDB.

8 MR. MARINI: Good afternoon, Your Honor.

9 Luis Marini of Marini Pietrantoni Muniz on
10 behalf of AAFAF.

11 THE COURT: All right. Welcome, everyone here
12 in Boston and those who are attending by I am not sure
13 what method but hopefully a working method in New York
14 and Puerto Rico.

15 All right. We have a status conference. Why
16 don't we hear what's going on. Why don't I hear from
17 Siemens first.

18 MR. SOVEN: Good afternoon again, Your Honor.
19 From what I --

20 THE COURT: You know what? I think it's easiest
21 if you talk from the podium. Just I think it goes
22 through --

23 MR. SOVEN: Oh, okay.

24 THE COURT: -- more clearly.

25 MR. SOVEN: Your Honor, as you know, we're only

1 here on a status conference today, and I believe that
2 there's really two documents that are pending in front
3 of the Court. There's, obviously, the complaint that
4 was filed in late March, and the deadline for the
5 response -- responses to the complaint is in fact
6 today.

7 It's my understanding that the Defendants will
8 each be filing a motion to dismiss in response to the
9 complaint, and I guess we -- from what I understand,
10 you may hear the motion to dismiss, or it may go to
11 Judge Swain.

12 THE COURT: Makes life interesting.

13 MR. SOVEN: Makes life interesting. But if
14 you're, you know, willing to entertain a schedule for
15 the motion to dismiss now, I'm certainly happy to talk
16 about that, or we can --

17 THE COURT: It may make sense to talk about it
18 in the context of the other motion and see --

19 MR. SOVEN: Okay.

20 THE COURT: -- where that fits in.

21 MR. SOVEN: Yeah. I mean, the other motion, you
22 know, as you know, was filed several weeks ago. A
23 response has been filed. Again, so you know, I guess
24 we could potentially file a reply, but at some level,
25 it's fully briefed. I mean, there are factual issues

1 and legal issues implicated by the motion. We think
2 that the legal issues, obviously, will ultimately be
3 resolved in our favor and that the factual issues can
4 be relatively quickly resolved as well.

5 When we received the response, you know, my
6 initial reaction was potentially to ask for a hearing
7 in front of Your Honor so that those issues could be
8 promptly resolved. It would not require much testimony
9 to do so, and we'd be happy to schedule a date to have
10 that motion heard, you know, as if it was in fact a
11 motion for preliminary relief before Your Honor.

12 You know, again, it would require some testimony
13 but not much. It requires one -- it appears really
14 only one central legal issue of whether or not the
15 funds at issue are subject to the restructuring and
16 support agreement or not. We think that, that also can
17 be resolved in fairly short order. And I admit, it
18 will also have to be resolved in connection with the
19 motion to dismiss.

20 But at the same time, you know, what we're
21 really worried about is the uncertainty that seems to
22 be attendant to these funds. I mean, on one hand, the
23 Defendants, or at least GDB, in their papers and all of
24 the Defendants are essentially saying, Siemens, you
25 know, you've got nothing to worry about, those funds

1 will be there when this all gets worked out. If you're
2 right, maybe you'll have access to them.

3 What we suggested to counsel was, Well, why not
4 just put that in an order, because that would really
5 resolve the motion. I mean, my first choice would be
6 that the funds be paid into the Court, and I think that
7 that's what would normally happen certainly in a
8 Bankruptcy Court, or could happen in a bankruptcy
9 situation, which is really what this is closest to.

10 But if not, you know, why, if they say in the
11 papers there's no worry, the funds aren't going
12 anywhere, can't that just be embodied in an order that
13 says as much? I mean, and my concern, frankly, is the
14 witness may have said that, but it's a little
15 concerning that, you know, the parties aren't saying
16 that. I mean, the witness also at some level said,
17 This is an escrow account, and we're still getting, you
18 know, the sense, and I think later today we'll know for
19 sure, that they're going to argue it's not an escrow
20 account.

21 So, I mean, why not resolve that motion with an
22 order -- if there's not going to be an order directing
23 the funds to be paid into the Court, then it can be
24 resolved with an order saying that the funds will be
25 maintained and kept in place pending the resolution of

1 the case. And if neither of those things are
2 agreeable, and as of last week, they weren't, then we
3 would like a hearing to get those -- to get our claim
4 to essentially those rights resolved.

5 THE COURT: Okay. Well, I guess I do want to
6 hear from all of the respondents, and my critical issue
7 here, obviously, is whether or not it's agreed, I think
8 it's agreed, but I want to confirm it, that this issue
9 would be resolved in connection with the Title VI, with
10 the Court's approval of the Title VI. Do you see it as
11 an issue that would come up there? I know from the
12 respondents -- I know that you feel it's separate.

13 MR. SOVEN: Right.

14 THE COURT: And I'll let you address that in a
15 minute.

16 MR. SOVEN: Okay.

17 THE COURT: But I want to know from the
18 respondents if they think it would come up in a
19 Title VI before Judge Swain would resolve -- would be
20 asked to approve it, and sort of in what forum does it
21 come up? Does it come up with whether or not this
22 account is a qualifying bond? I'm not quite sure where
23 it comes up, but --

24 MR. SOVEN: Yeah. Well --

25 THE COURT: -- let me hear from them first.

1 MR. SOVEN: Do you want to hear from them first?

2 THE COURT: Yes. You want to address that?

3 MR. SOVEN: I mean -- look, I mean, their
4 response that was filed a couple of weeks ago, the key
5 paragraph is Paragraph 20. And in Paragraph 20, they
6 say that this escrow account should be considered a
7 loan -- right? -- a loan, which is one of the things
8 that's considered a bond in PROMESA, which would
9 subject the account to the RSA -- to the Title VI
10 proceeding.

11 You know, we disagree, I mean, because on one
12 hand they also say, you know, that HTA is the owner of
13 this account; right? Now, we claim, obviously, that
14 we're now entitled to the funds in the account. But,
15 you know, they say in the papers as well that HTA owns
16 the account, and that's why, you know, this morning we
17 were asked if would dismiss HTA. Well, no. I mean, we
18 want declaratory relief as to an account that's owned
19 by HTA -- right? -- and so HTA, you know, is a
20 necessary party to the case.

21 But, you know, so the fundamental issue of
22 whether or not this is a loan, which, again, to not
23 belabor the merits, you know, if we have the
24 overwhelmingly stronger position on that one question,
25 you know, that issue can and should be decided in

1 connection with either this motion or the motion to
2 dismiss that will be filed later today -- or later --

3 THE COURT: Why not as part of the Title --
4 we're dealing with a short timeframe; right? We have
5 the RS -- the money is identified in the RSA, as I
6 understand it; right? So I think the respondents
7 expect that this would be resolved before the RSA date
8 of June 28th?

9 MR. SOVEN: Well, I -- I mean, from what -- I'll
10 let them speak to it. But, you know, from -- my
11 understanding is the RSA has received preliminary
12 approval sufficient to prepare to submit it to the
13 Court, but no notices have been sent out. I mean,
14 Siemens was never contacted in any respect during the
15 process of which a plan was negotiated. But putting
16 that aside, you know, there's no timeframe, from what I
17 can tell, for notices being distributed, for voting,
18 for submission to the Court to approval.

19 And if you really look at the statute itself --
20 you know, they say, We've got claims and rights in
21 front of Judge Swain in connection with the Title VI
22 proceeding -- it's not actually that clear -- right? --
23 that there is this statutory vehicle, in my view, for
24 us to raise these issues.

25 And so, again, we think the preliminary relief

1 we're asking for is not much, but if that can't be
2 granted and a schedule for the motion to dismiss is set
3 down by Your Honor, you know, you or Judge Swain can
4 decide, No, they're wrong, it's not subject to the RSA,
5 you know, in connection with this complaint and, you
6 know, where there's a clear procedure, you know, in
7 place. Obviously, the time-warrant procedure,
8 complaint, motion to dismiss, answer, they raise a
9 legal issue, if they're wrong, the case goes forward;
10 if they're right, then we're stuck in Title VI.

11 THE COURT: But you also have a different
12 problem in this case as well as to who the parties are;
13 right? I mean, one of their contentions is that GDB is
14 not here.

15 MR. SOVEN: GDB is here. I mean, who is -- I
16 mean, the primary claim in connection with the
17 complaint is one for declaratory relief; right? So,
18 obviously, we don't want to leave out somebody --
19 right? -- in connection with asking for a declaration
20 that these funds belong to us; right? So GDB is the
21 bank where the funds were placed. HTA is the owner of
22 the account, at least in name, if not the proceeds in
23 it. The Oversight Board is the representative of HTA;
24 right? So I don't think that, you know, the claim is
25 just as, if not more, you know, adverse to HTA as it is

1 to GDB.

2 I mean, GDB is named -- if this was an ordinary
3 bankruptcy and HTA was the debtor in bankruptcy,
4 which it is, and HTA put money at a bank, Citizens,
5 Wells Fargo, whatever, and the creditor wanted those
6 assets, you know, there would be no question that they
7 would name the bank as at least a nominal party in
8 order to have an order, you know, ultimately if proved
9 successful, that controlled, that controlled anybody's
10 potential interests.

11 Here it's a little bit different because you've
12 got one entity, HTA, in a Title III proceeding and
13 another entity, GDB, in this Title VI proceeding, but
14 you know, they're saying, You belong over there, we're
15 saying we belong over here. And that issue, you know,
16 is essentially teed up through this motion to dismiss
17 and the motion to try to secure the funds.

18 THE COURT: But even if HTA agreed with you and
19 said the money's supposed to be in escrow, that doesn't
20 end your issue, does it?

21 MR. SOVEN: Well, only if they're right that it
22 belongs in Title VI, only if they're right that it's a
23 loan; right? If HTA agrees, Yes, it's an escrow
24 account, Yes, the requirements for payment have been
25 fulfilled, then the only issue left, frankly, is: Does

1 it belong in the RSA process or not?

2 And, you know, and, again, I don't want to keep
3 repeating myself, but that issue seems to be teed up
4 for a decision here. And I don't see anything that
5 says, Well, that has to be decided in some other type
6 of proceeding, which is very vaguely defined. You
7 know, the idea of, Well, you've got a right to stand up
8 and say, No, no, no, Siemens objects to the whole
9 thing; right?

10 I mean, frankly, this is a cleaner, more
11 efficient and, frankly, likely to be faster way of
12 getting it decided because all of the deadlines in the
13 past for the RSA have had to be extended. There's no
14 telling when the notice and voting is going to take
15 place. There's no telling when anything is going to be
16 submitted to the Court. You know, I haven't seen the
17 motion that's been filed yet, but I expect it's going
18 to look a lot like the response to the prior motion we
19 filed, and that to me doesn't say that this Court,
20 meaning, I'll call it the Title III Court -- right? --
21 can't hear that motion to dismiss.

22 THE COURT: Okay. Thank you.

23 Who wants to respond?

24 MS. TRELLES: Your Honor, we'll take it for GDB.
25 Good afternoon again. Maria Trelles.

1 So I'll go briefly and just agree with counsel
2 that we will be filing the motion to dismiss today.
3 That will go to the merits of Siemens' complaint
4 against GDB, and I understand co-Defendants are filing
5 motions to dismiss as well also geared at the merits.

6 THE COURT: Meaning whether or not this is an
7 escrow account or --

8 MS. TRELLES: Well, both whether or not this an
9 escrow account, as Siemens understands it, and whether
10 this is the proper venue, forum, and I don't mean venue
11 in the sense of the Federal statute but, rather, the
12 proper procedure to address this claim, which is what
13 Your Honor was going to before with regards the
14 Title VI.

15 THE COURT: So you're going to address whether
16 this is appropriate in the Title III or the Title VI --

17 MS. TRELLES: Yes.

18 THE COURT: -- as well as whether or not -- is
19 it the same issue, though, as to whether or not it
20 becomes a bond under the RSA? I mean, is that the
21 merits issue?

22 MS. TRELLES: Well, to the extent -- this is a
23 deposit account. As a deposit account, it is a bond
24 for the purposes of the RSA; and, therefore, it belongs
25 within the RSA and the Title VI process.

1 THE COURT: And that's being raised in your
2 motion to dismiss?

3 MS. TRELLES: Yes, Your Honor.

4 THE COURT: All right. So I will hear from you,
5 but also address for me whether or not you think, if
6 it's not appropriate here, is it appropriate in the
7 Title VI? And how does that -- does that issue get
8 addressed head on in the Title VI?

9 MS. TRELLES: Well, Your Honor, again, there is
10 a deposit account here. There's no question that
11 there's a deposit account here. Accounting-wise, there
12 was a deposit account for \$13 million. The deposit
13 account, pursuant to Puerto Rico law, and that's
14 well-established, they're treated as loans and
15 therefore are -- for purposes of PROMESA, they're bond
16 claims.

17 THE COURT: Well, that's not so clear, though.
18 I mean, that's the issue -- isn't it? -- that Siemens
19 says you said it's an escrow account, not that it's a
20 deposit account and that, as an escrow account, even
21 under Puerto Rico law, if there's a sufficient writing
22 to establish this escrow account, it would not be a
23 bond.

24 MS. TRELLES: So let's take it -- there are two
25 issues there. One -- the first issue which I meant to

1 say was clear was that deposit accounts are in the
2 nature of loans and, therefore, bond claims.

3 The second issue is whether this account is a
4 deposit account or what Siemens deems an escrow
5 account.

6 And the fact -- here there are key legal issues.
7 There is no definition in Puerto Rico law for an escrow
8 account, so there's no binding that definition that
9 says, An escrow looks this way in particular, and
10 certainly no definition in Puerto Rico law that says
11 that an escrow account must be separated from the
12 liquidity of the bank. That's step one.

13 Step two, GDB is a Government entity, and I
14 think there's no question about that. As a Government
15 entity, GDB is subject to particular legal requirements
16 in terms of contracts, and that is very
17 well-established Puerto Rico law. Whereas, you could
18 have, theoretically, let's -- I'm assuming for
19 argument's sake that you can have, under Puerto Rico
20 law, escrow agreements that are not set down in
21 writing. You cannot have those with a Government
22 entity.

23 THE COURT: Well, but there are lots of
24 arguments on the merits. I mean, they're going to
25 argue, Take a look at this email, take a look at this

1 picture, take a look at all this, this is all writings
2 that you sent that are sufficient.

3 You're going to turn around and say, It's
4 supposed to look like a contract, and it's supposed to
5 have my name on the bottom, and it's not sufficient.

6 My question to you, though, is: Is that
7 issue -- it's an issue; it is not because you say it's
8 so that it's so. So the question is: Does that issue
9 get decided in the context of the motion to dismiss in
10 this case, or, in your opinion, does it get decided in
11 the Title VI?

12 MS. TRELLES: Your Honor, we are arguing the
13 motion to dismiss, and I'm opening a parentheses here.
14 It's not because I say so; there is Puerto Rico law as
15 to the form a contract with the Government must take.
16 So it's not a matter of GDB says here or there; there's
17 case law on this. But --

18 THE COURT: Well, there's also case law in the
19 First Circuit that says an escrow is not part of the
20 bank's assets. So, I mean, it's -- you will both find
21 cases to file a brief on that, of that I have no doubt,
22 and I'm not ruling on that now. I'm trying to figure
23 out the best forum to decide it.

24 MS. TRELLES: The best forum is the Title VI,
25 and I'll tell you why, Your Honor. Ultimately, this

1 claim is for 13 million against GDB. What Siemens
2 wants is for GDB to pay out \$13 million from the money
3 it has right now, which is all co-mingled, and they
4 want GDB to pay out those \$13 million.

5 Now, that implicates the RSA. GDB has a finite
6 amount of funds. They're all -- they have all been
7 taken into account in the RSA, including those
8 \$13 million. It needs to pay off all of its creditors,
9 not only -- assuming Siemens prevails on the merits,
10 that they have a -- that they actually should be paid
11 \$13 million and that they should be paid from GDB,
12 let's assume that for a moment, that means that they
13 have a \$13 million claim against GDB, as do, you know,
14 dozens of other creditors against GDB, that they have
15 claims of 13, 20, 50, 100 or more million dollars. And
16 so we -- there's a finite amount of funds, and those --
17 all of those claims need to be seen together in order
18 for the distribution of the moneys that there are to be
19 paid out to all of the creditors.

20 THE COURT: I mean, I think the argument's a
21 little different in that what Siemens is saying, I have
22 no idea if they're right or not, but they're saying
23 this isn't your money to be handing out, so when you
24 counted your assets as to what gets distributed, this
25 13 million should not have been on your spreadsheet.

1 That's their claim, that I think counsel's right that
2 the procedure for the Title VI approval is not that
3 detailed.

4 So my question to you is whether you agree that,
5 before Judge Swain would approve the Title VI
6 qualifying modification, would she -- is this the type
7 of issue -- is this an issue that she would have teed
8 up to decide in connection with whether or not to
9 approve the qualifying modification?

10 MS. TRELLES: Your Honor, it's certainly an
11 issue that Siemens can raise in the Title VI
12 proceeding. I agree that the Title VI proceeding is
13 not particularly detailed in the statute. There's no
14 question the funds, whether rightly or wrongly, have
15 been accounted for in the RSA. Again, let's assume
16 that they were wrongly accounted for in the RSA. They
17 were accounted for in the RSA.

18 And so all of the other GDB creditors and GDB
19 have a -- are counting with those 13 million with
20 everything else for the RSA and the ultimate
21 distribution. So if those moneys -- if Siemens' claim
22 is that those moneys shouldn't be there and so we
23 should subtract 13 million, that is something that
24 should be decided within the Title VI process so that
25 all of the other GDB creditors are aware and we can

1 make arrangements or have the RSA pull through or not
2 on the basis of the same information for all creditors.

3 THE COURT: Okay. And what is the schedule now?

4 MS. TRELLES: Right now, there's a June 28th
5 deadline for the Court, for the qualifying modification
6 to be approved, and there's a June deadline for
7 solicitation. So the solicitation hasn't concluded
8 yet.

9 THE COURT: And when would you expect to submit
10 it to the Court?

11 MS. TRELLES: The Title VI proceed -- our
12 qualifying modification? It has to be before
13 June 28th, Your Honor, but I will get you the date, the
14 expected date at this point. But it has to be no later
15 than June 28th.

16 THE COURT: Well, by -- okay. The question -- I
17 thought it was by June 28th the Court had to approve
18 it, which I'm assuming that -- Judge Swain is
19 superwoman, I do agree, but I do think she needs some
20 time. Do you have a schedule in mind?

21 MS. TRELLES: I can verify with the RSA. Just a
22 second, Your Honor. I don't have that precise deadline
23 written here.

24 THE COURT: Okay, thank you.

25 MS. TRELLES: So do you mind if I --

1 THE COURT: No, I won't hold you to it yet.

2 MS. TRELLES: Okay.

3 THE COURT: But it is something that we will
4 need to know in one form or another.

5 All right. So, as I understand it, what you're
6 saying is that you believe that the Title VI would be a
7 forum to discuss basically the same issues as are
8 raised in your motion to dismiss here, except that
9 in -- the Title VI you think is the appropriate
10 jurisdiction for it, as opposed to the Title III pro --

11 MS. TRELLES: Yes, Your Honor.

12 THE COURT: Okay, thank you.

13 MS. TRELLES: Thank you.

14 MS. DALE: Good afternoon, Judge.

15 On behalf of the Oversight Board and HTA, we
16 will be filing motions to dismiss later today.

17 The complaint -- let me take one at a time.
18 With respect to the Oversight Board, the complaint
19 makes no allegations against the Oversight Board, any
20 purported misconduct by the Oversight Board or any
21 right that Siemens has against the Oversight Board. We
22 think that's a straight motion to dismiss on behalf of
23 the Oversight Board, as itself.

24 The Oversight Board is also appearing in the
25 Title III as the representative of HTA. We also

1 believe that there is a good motion to dismiss
2 against -- as to HTA, that it fails to state a claim.

3 The \$13 million is called the completion payment
4 under the settlement agreement. There's no doubt that,
5 that money is at GDB, and the complaint doesn't make
6 any allegations that HTA has breached the settlement
7 agreement or the second amendment to the settlement
8 agreement.

9 I think, getting to your question that you've
10 been asking the parties about, Where is the right forum
11 for this, so the Oversight Board is not going to take a
12 position in its motion to dismiss as to whether a real
13 escrow account, a true, valid escrow account was formed
14 or not. If the Court --

15 THE COURT: When you say Oversight Board --

16 MS. DALE: On behalf of HTA. Sorry. As the
17 representative of HTA.

18 THE COURT: Okay.

19 MS. DALE: We lay this out in the motion, but
20 our argument is: If there is not a valid escrow
21 agreement, then the proper forum is the Title VI for
22 GDB. If the Court were to find that there was or
23 should have been -- or the money is -- should have been
24 in an escrow or is in an escrow account, we think in
25 that scenario, then, that there's a claim that Siemens

1 has against HTA in the Title III for which it has filed
2 a proof of claim already, and we think that's the
3 proper forum were the Court to conclude that there had
4 been or was a true escrow formed.

5 So that's our position. It really does come
6 down to the legal issue of whether an escrow was formed
7 or not. If there isn't a valid escrow, we believe this
8 is a Title VI issue for resolution. And if there
9 are -- were to be found to be a real escrow, we think
10 the proper method here is for Siemens to file a proof
11 of claim in HTA's Title III, which it has done, and to
12 be resolved along with the other claims.

13 THE COURT: All right. But that assumes that
14 HTA is the owner of the funds, and --

15 MS. DALE: I'm not sure it does.

16 THE COURT: I'm chasing my tail here, as we all
17 are, I think, but I guess -- let me ask you this:
18 Would you object if it came up in the Title VI, having
19 the issue resolved there without predisposing whether
20 or not it was a valid escrow account or not a valid
21 escrow account?

22 MS. DALE: I don't think we would object to
23 that.

24 THE COURT: I'm just trying to find it --

25 MS. DALE: Yeah.

1 THE COURT: -- in the right forum and not spend
2 a whole lot of time on procedural problems that take up
3 a lot of research time for something that I think needs
4 to be decided promptly, on the same schedule sort of
5 regardless of the forum. So I may be -- this may be
6 one of those "hope springs eternal," but I'm not giving
7 up my options yet.

8 MS. DALE: Thank you.

9 THE COURT: All right. So you wouldn't object
10 either way?

11 MR. MARINI: Good afternoon, Your Honor.
12 Luis Marini for AAFAF.

13 Your Honor, I'll be brief. AAFAF joined GDB's
14 opposition to the motion to segregate funds, and we
15 intend as well to join GDB's motion to dismiss today.
16 We adopt their legal arguments. We also understand
17 that the complaint, at least as to AAFAF, doesn't set
18 forth any specific allegations that give rise to a
19 basis for relief. We set that out in our motion to
20 dismiss today. But I don't want to belabor the point.
21 We adopt GDB's position, and AAFAF's joined their
22 opposition to the motion and is going to join their
23 motion to dismiss.

24 THE COURT: Okay. And let me ask you the same
25 question, though: Would you have an objection to

1 having this issue on the merits, you know, whether it's
2 an escrow account, as Siemens understands it -- I guess
3 that's the magic phrase that everybody's using -- or
4 whether it's a bond, do you have any objection to
5 having that decided in the Title -- before Judge Swain
6 is asked to approve the qualifying modification?

7 MR. MARINI: No, Your Honor, no objection.

8 THE COURT: All right. Anybody else want to be
9 heard?

10 Do you want to respond?

11 MR. SOVEN: One more moment?

12 THE COURT: Yeah.

13 MR. SOVEN: I'm going to defer the merits
14 arguments. I mean, we disagree that it's a bond or a
15 loan, but that's -- I don't think that's what
16 Your Honor wants to hear about right now.

17 THE COURT: I think your opposition to that is
18 clear.

19 MR. SOVEN: Okay. I didn't hear from counsel --
20 there's a June 28 date, which seems to be written down
21 but may only be aspirational, given the number of
22 extensions that have been given already. I didn't hear
23 a date for which notice of whether or not we wish to
24 participate or object to the RSA would be sent to
25 Siemens. I didn't hear a date for when what pool we're

1 even in will be identified.

2 There has been no communications to date between
3 anybody on behalf of GDB or any of the other parties
4 with respect to its rights, to the extent it even
5 belongs in the RSA, with extent to its rights under the
6 RSA. No creditor -- other creditor is here; right? No
7 creditor -- no other party claims that it has an escrow
8 account like this one. I mean, we've been completely
9 left in the dark.

10 Now, we may say, Well, it's only \$13, we're on
11 the smaller end of the scale in terms of this claim,
12 but the fact is, is we have received nothing about this
13 so-called process. And if you look at -- I mean, I
14 tried to do it last week --

15 THE COURT: Is that because HTA is the
16 account-holder?

17 MR. SOVEN: That's a better question for them.
18 We have received no -- the Siemens, the client, Reed
19 Smith, the law firm, has been in no way involved, asked
20 to be involved, asked for its views, asked to vote on
21 any aspect of the RSA.

22 If you look at the process, which is in 48 USC,
23 2231(m), which is the section they cite in the brief, I
24 would say it's vague at best as to what Siemens's
25 rights would be in that process. I mean, there's a

1 process -- you know, they say, Once the process
2 concludes, and, again, in the process, it's tough to
3 find Siemens's -- a role for Siemens, and assuming the
4 necessary positive votes have been received from the
5 holders of the outstanding bonds in each pool and that
6 the FOMB certifies the matters set forth in the
7 statute, the matter will be submitted to Judge Swain
8 for approval, I mean, so -- it's not even clear -- what
9 do I tell the client as to when we have to file
10 something?

11 THE COURT: I'll tell you that.

12 MR. SOVEN: You'll tell me that, but when is --
13 but when -- and there is no guarantee at all that this
14 June 28th deadline is going to even be met. So, I
15 mean, if you are, and I think correctly, interested in
16 getting the "is Siemens in the RSA or is not in the
17 RSA" decided, I mean, what I laid out I think was a
18 guarantee, you know, that, that issue can be decided in
19 the next 30 to 60 days. And under the process that I
20 propose, I know that Siemens's argument will be heard
21 with the amount of, you know, with all due respect to
22 the statute, with the amount of due process that
23 Siemens is entitled to.

24 I don't know what to tell the client and what
25 guarantees I can provide to the client about when

1 Siemens's arguments will be heard under this process.
2 And look, I mean, counsel was -- you know, counsel may
3 not know, but if this is all going to happen on
4 June 28th and it's May 29th today, when does the
5 notice -- I mean, when do I get notice; right? I mean,
6 she may not know, but she didn't say certainly when I
7 was going to get -- when Siemens was going to get
8 notice, how this voting was going to be -- how it was
9 going to work.

10 I mean, and frankly, it's a bit of a rubber
11 stamp because the parties -- other creditors or, you
12 know, the other people with much larger obligations as
13 to GDB have already been brought onboard, so to
14 speak -- right? -- into the qualifying modification
15 that is now going to be submitted for a vote; whereas,
16 Siemens has not certainly been involved in that process
17 at all, and there's nothing very clear in the statute,
18 and counsel didn't point out anything very clear in the
19 statute that would say when we really do have a right
20 to be heard.

21 And, you know, if they're going to make this
22 argument, Well, is it an escrow account, or is it not
23 an escrow account, I mean, even the witness said it was
24 an escrow account, well, that potentially raises a
25 factual issue. There's certainly no vehicle in

1 Title VI to have that heard; right?

2 And so, I mean, I think, frankly, based on the
3 record that's already been created, there's no doubt
4 that this was not a loan. I mean, the statute doesn't
5 include deposit accounts as a bond. I mean, it said
6 that it did, but it doesn't. Deposit accounts aren't
7 mentioned. You know, it says loans, letters of credit,
8 bonds. There's nothing about deposit accounts.

9 But anyway, I don't want to repeat myself too
10 many times, but I do think that if, in the ordinary
11 course, they file a motion to dismiss today, I file a
12 response in 20 days, they file a reply brief in ten
13 days, whether it's you or Judge Swain decides that
14 motion during the ordinary course, then by mid-summer,
15 there's at least a preliminary determination as to
16 whether or not these funds are in the RSA or not.

17 THE COURT: But that schedule doesn't comport
18 with the RSA schedule, as I understand. So that's a
19 nice schedule. I would love to give you all
20 extensions, and we can do this all summer, and we can
21 be nice and relaxed, but you have a fundamental
22 issue -- right? -- on whether or not these -- maybe
23 I'm wrong, but I'm assuming that the RSA is sort
24 of dependent on -- well, it includes this \$13 million,
25 so that if the \$13 million comes out of the RSA, there

1 has to be recalculations and I assume revoting to some
2 extent, but I'm not giving any opinion on that. I
3 don't know.

4 MR. SOVEN: Yeah.

5 THE COURT: But I think it's agreed that the
6 13 million is included in the RSA; correct?

7 MS. TRELLES: Yes, Your Honor.

8 MR. SOVEN: Well, no, no. I mean --

9 THE COURT: Is it listed? It's represented as
10 being included among GDB's assets?

11 MS. TRELLES: Yes.

12 MR. SOVEN: It is represented amongst being --

13 THE COURT: Everybody agrees --

14 MR. SOVEN: Right.

15 THE COURT: -- it's been represented as that.
16 So it seems to me -- maybe I'm rushing something that
17 doesn't need to be rushed, but it seems to me that the
18 issue of whether or not this 13 million is
19 appropriately listed as GDB assets in the RSA has to be
20 decided before Judge Swain is asked to approve the
21 qualifying modification.

22 Does everybody agree with that, or am I --
23 people are nodding at me.

24 MR. SOVEN: Well, I mean, my take --

25 THE COURT: Unless I issued an order that says

1 you can't disburse it -- somebody issues an order that
2 says you can't disburse it. Now, we all agree that,
3 until the qualifying modification's approved, money's
4 not going anywhere, so everybody agrees with that. And
5 everybody's nod -- for the record, everyone is nodding
6 at me.

7 So, in other words, if Judge Swain was asked to
8 approve the qualifying modification, it's premised on
9 that \$13 million being included as an asset of the GDB.
10 So at some point -- you don't think so?

11 MS. SPRINGER: No, not necessarily, Your Honor.

12 MR. SOVEN: The audit. Can I pass the baton?

13 THE COURT: Yes. And just identify yourself so
14 everybody knows who's talking.

15 MS. SPRINGER: Claudia Springer, partner of
16 Mr. Soven, counsel for Siemens, from Reed Smith.

17 No. I look at the RSA, Your Honor, very much
18 like a bankruptcy plan, liquidating plan. And in a
19 liquidating plan in a bankruptcy proceeding, oftentimes
20 it is unclear, upon confirmation, how much money will
21 be available for the distribution to creditors of the
22 estate.

23 It is, obviously, a requirement under the
24 Bankruptcy Code for there to be sufficient funds or a
25 sufficient means to obtain funds to pay certain types

1 of claims, administrative claims, priority claims. But
2 as to general unsecured claims, it is often guesswork
3 on the confirmation of a plan as to how much is going
4 to be available for the distribution to creditors.

5 Now, in this particular situation, there is
6 built into the RSA, as there is in most plans,
7 estimates as to what is probably going to be paid out
8 to holders of claims over the course of I believe it's
9 something like 20 years. It's a long period of time.
10 I don't expect to be here at the end date, at least not
11 practicing. But the bottom line is that it is
12 extremely, at this point, unclear under the RSA as to
13 what is going to ultimately be available because many
14 of the funds that are supposedly going to be funding
15 this distribution, the ultimate distribution that's
16 going to be made to the holder of bonds is coming from
17 sales of real estate and other types of things,
18 that it's unknown at this juncture, at this time, what
19 that's going to result in.

20 Yes, there has been opinions about it, there are
21 projections that are attached to the RSA, but there are
22 in every bankruptcy case as well. And as we've all
23 seen, people who've practiced in that bankruptcy field
24 for many, many years, these are just projections,
25 that's all they are, and oftentimes they are woefully

1 wrong or accurate. But there's -- it's impossible at
2 this point to say what that's going to be.

3 And I don't believe that because, you know, they
4 put that on a schedule without our consent, without
5 asking us, without even entertaining our position,
6 which they've known for many months that, that is an
7 escrow account, the funds belong to us, and we are
8 prepared to show that under the law, that they had any
9 right to take the position that those funds were
10 available to distribute to other creditors in this
11 case.

12 And I note the interesting part about this whole
13 dispute is that, even though our papers were filed and
14 everyone's had a chance to view them, and as Your Honor
15 is aware, nobody's been shy in this case about filing
16 pleadings and stating their position, no other creditor
17 in this case that is going to participate in obtaining
18 funds from GDB, as far as I can see, has filed anything
19 to say, Hey, wait a minute, Siemens. You can't get
20 this money back because that -- some fraction of that
21 money belongs to me. Nobody has done that.

22 Interesting. They filed numerous other pleadings, all
23 of these bondholders have filed pleading upon pleading
24 upon pleading, but nobody has taken that position in
25 this case.

1 THE COURT: So, from your point of view, if the
2 distribution takes so long, why do you need an order
3 that says that these funds can't be distributed? Like,
4 what --

5 MS. SPRINGER: Why do I need an order to protect
6 the funds?

7 THE COURT: Yes.

8 MS. SPRINGER: Because I don't want them to say
9 at some point that my position, vis-a-vis these funds
10 being in escrow, is now moot because they've taken
11 money that belongs to me and they've distributed it to
12 other people, to other holders.

13 My view is that's not your money to distribute;
14 that's my client's money that they were told again and
15 again was being set aside for them and for them only.
16 And even at Mr. Santiago's deposition, on numerous
17 occasions did he say that money was earmarked for
18 Siemens.

19 THE COURT: So what -- I just want to make sure
20 I understand. So you're saying that the issue needs to
21 be decided in some forum --

22 MS. SPRINGER: Yes.

23 THE COURT: -- as to whether or not GDB has the
24 right to allocate this money at all, so whether it's
25 part of the RSA, that issue has to be decided but that

1 the Court has authority to issue an injunction on the
2 distribution of the \$13 million, which, in your view,
3 would not disrupt the approval of the qualifying
4 modification?

5 MS. SPRINGER: That's correct. Thank you.

6 THE COURT: Can I hear from GDB on that?

7 MS. SOLER: Good morning, Your Honor.

8 Giselle Lopez on behalf of GDB.

9 Just to address the comments by Ms. Springer
10 regarding the Title VI process, I think what she
11 ultimately was saying to the Court is precisely that
12 this needs to be addressed in the Title VI process
13 because she's talking about the lack of notice to a
14 creditor, and she's talking about certainty of a plan,
15 and those were the precise issues that would be decided
16 before Judge Swain when the Title VI qualifying
17 modification gets submitted for approval.

18 In terms of the disruption of the approval of
19 the RSA, I think it's clear from what Your Honor has
20 understood, and that's the way we understand it as
21 well, that the funds are in fact considered in the RSA.
22 So any disruption, any order that would require GDB to
23 set out funds that are already co-mingled with the
24 funds of the RSA would certainly disrupt the RSA and
25 disrupt the Title VI process ultimately.

1 THE COURT: I don't want to be quoted on that;
2 okay? I don't know the answer.

3 MS. SOLER: Okay.

4 THE COURT: I think counsel raised a very good
5 point on whether or not it actually would disrupt it,
6 so I don't know.

7 MS. SOLER: Okay, sure. But our position is
8 that --

9 THE COURT: Your position is that --

10 MS. SOLER: Right, for sure.

11 THE COURT: -- it would disrupt it.

12 MS. SOLER: Right. That's our position.

13 THE COURT: Is there an easy answer to Siemens's
14 concerns that it never got notice in the RSA?

15 MS. SOLER: Well, there's going to be
16 solicitation of votes to creditors, and that date is I
17 believe June 2nd, so there is a date certain for that.
18 And I don't have information at this point that that's
19 not going to be met, so what I know is that it will be
20 met. I'm not saying that, that could not change, but
21 I'm saying that's the information I have at this point.
22 So --

23 THE COURT: And so what's been circulated is to
24 the major creditors; is that a -- you have enough
25 preliminary votes to go forward, to have a general

1 vote? I haven't been following this. It's not been on
2 my agenda. I'm just trying to figure out --

3 MS. SOLER: That's correct. That's correct.
4 But still there's going to be a solicitation process.

5 THE COURT: And you expect --

6 MS. SOLER: I'm sorry. June 8th is the date
7 for --

8 THE COURT: All right. I have June 8th as
9 the --

10 MS. SOLER: Right.

11 THE COURT: -- closing date in your papers.
12 Okay. That's the same date? We're talking about the
13 same date?

14 MS. SOLER: That's the same date. This hasn't
15 changed.

16 THE COURT: All right. And that you expect to
17 submit it to the Court for final approval, so that the
18 Court's approval date would be June 28th?

19 MS. SOLER: June 28th, correct.

20 THE COURT: So sometime in advance of that so
21 that the Court would have time to address --

22 MS. SOLER: Correct.

23 THE COURT: -- issues.

24 Okay. Thank you.

25 Anybody else? I'll tell you what I'm thinking,

1 and then you can all tell me why I'm thinking wrong.
2 All right. I'm thinking that everybody has agreed that
3 this issue should be decided before there's any
4 distribution, let me put it that way.

5 I think that, for Judge Swain to have time, it
6 needs to -- it's not clear to me whether it gets
7 decided in this setting or the Title VI, but as I'm
8 hearing it, there is no objection by any of the
9 respondents to have the issue of whether or not these
10 funds constitute a bond or escrow account, as defined
11 by Siemens, decided in the Title VI; is that correct?

12 MS. DALE: That's correct.

13 MS. TRELLES: Yes, Your Honor.

14 THE COURT: Yes, everybody's agreeing with me on
15 that.

16 MR. MARINI: Correct.

17 THE COURT: What I would like to do is set up a
18 schedule. Either way, I think it needs to be moved
19 forward fast. I don't think it's going to be referred
20 here on the motion to dismiss, just because of the
21 timing. I think I would have to do it as a report and
22 recommendation, and I think that takes up time, unless
23 you all consent to having me do it, but I don't know
24 where that fits in, in the PROMESA statute.

25 So what I would like is for everybody to submit

1 a joint status report sometime before the Omni, though,
2 so that Judge Swain can address it at the Omni, which
3 would have a schedule -- first you need to identify
4 what other discovery, if anything, you need, what the
5 format of the hearing is that you see. Is it
6 witnesses? Is it, you know, by deposition? You know,
7 are there really factual issues that we're disputing,
8 or do we have a sort of a record?

9 The briefing schedule, I think it makes sense to
10 consolidate it. I don't know if it's best to do it in
11 the form of the response to the motion to dismiss or
12 not, but the schedule would be -- she needs to have at
13 least ten days but at least by the 15th to have
14 everything fully briefed. By June 15th, everything
15 needs to be fully briefed, it seems to me, if you're
16 going to have this decided by the 28th.

17 It may be easiest to do it on the merits of the
18 motion -- like, I haven't seen the motion to dismiss,
19 so if we all agree that it can be done in the context
20 of the Title VI, then maybe we don't have to spend time
21 on the jurisdictional issue and we just deal with the
22 issue of what kind of account -- you know, what's the
23 accounting for this money. But that's more Siemens's
24 issue at this point on whether or not you want to have
25 that fight.

1 MR. SOVEN: Your Honor, just so I -- is what --
2 I just need to better understand, I think, what you're
3 proposing or suggesting. I mean, would the idea be
4 that, like, a -- the outstanding discovery issues would
5 be -- I heard two things. I heard that all the
6 briefing would be done on June 15th, which, you know,
7 the issues are fairly narrow, and I think that's
8 doable.

9 But I guess I wasn't sure how -- if
10 Judge Swain -- if it was possible that Judge Swain
11 needed to hold a hearing on this issue, I mean, I
12 obviously can't speak for her calendar, you know,
13 whether you're thinking, well, that could potentially
14 be done before the, quote/unquote, deadline for
15 approval of the qualifying modification. Is that
16 what --

17 THE COURT: So, since I'm making her life
18 miserable, sure.

19 MS. SOVEN: Right.

20 THE COURT: I think what I'd like to do is set
21 it up so that you have a proposed schedule assuming
22 that it's all resolved by the 15th, identifying what
23 discovery, if any, that you need and what form the
24 hearing would be before Judge Swain -- all right? --
25 but have a status report that sort of outlines that in

1 time for her to address it at the Omni.

2 Is everybody going to the Omni? Are you going
3 to Puerto Rico? Are you on now?

4 MR. SOVEN: I may be -- right. I'll call my
5 travel agent.

6 THE COURT: I'm assuming that the respondents
7 will all be there in some form or another.

8 MR. SOVEN: Do you want to speak to these
9 issues? All right.

10 MS. DALE: Your Honor --

11 THE COURT: Go ahead. I think I'm not being as
12 clear as I would like to be.

13 MS. DALE: I'm sorry. I just wondered if --
14 we're still planning to file our motion to dismiss
15 because that needs to happen in this forum.

16 THE COURT: I'm assuming that's done.

17 MS. DALE: It is done.

18 THE COURT: So those should be filed today, and
19 we should -- then we're clearly discussing what the
20 issues are that are in dispute.

21 MS. DALE: And then are you thinking that the
22 rest of that briefing that needs to be done by
23 June 15th is happening in the Title III, or are we
24 setting up a different briefing schedule for --

25 THE COURT: So I think, if you're all agreeing

1 that it can go forward in the Title VI, that it's
2 easier to do it in that context. But I realize that
3 Siemens hasn't seen your motion to dismiss yet, and I
4 recognize that -- I'm only saying that based on your
5 representations today, which I'm holding you to,
6 frankly, I'm holding everybody to the representation
7 that this issue is appropriately decided in the context
8 of the Title VI. All right.

9 The reason I want Siemens to take a look at
10 this, or unless you tell me we can go forward just on a
11 Title VI for a briefing, is it would be nice if you
12 took a look at the motions to dismiss and you said to
13 the respondents, Look, I don't want to address the
14 jurisdictional issues, whether it's Title III or
15 Title VI; let's just agree that these are the issues
16 that are raised in your motion to dismiss that are
17 going to be decided in the context of the Title VI.

18 Does that make sense?

19 MR. SOVEN: Sure.

20 THE COURT: It always makes sense to me until I
21 read the transcript, and then I have absolutely no idea
22 what I said.

23 MR. SOVEN: Look, I -- you know, in one of my
24 statements I, you know, was talking about due process,
25 and so the process that I think you're contemplating

1 sounds like due process, but I guess what I'd like
2 to -- I would like to be able to speak to Ms. Springer
3 and perhaps to the client before I say we're onboard
4 for having this decided in the context of the Title VI
5 proceeding. But I understand what you're proposing, or
6 proposing for Judge Swain, and I respect it, but I
7 guess I need to maybe think about that and speak to
8 Ms. Springer and the client.

9 THE COURT: Why don't I say let's make that an
10 item in the status report to be filed by June 4th;
11 okay? There'll be a status report, a joint status
12 report, filed by June 4th that will address: One,
13 whether Siemens agrees to have it in the Title VI. I'm
14 assuming everybody else -- I'm binding everybody else
15 to agreeing.

16 MR. MUNGROVAN: Can we just address that point,
17 Your Honor?

18 MS. DALE: Your Honor, I apologize. With
19 respect to HTA's position, HTA is not in the Title VI;
20 GDB is in the Title VI, so we would need to confer, I
21 think, and we could certainly do this quickly, with our
22 client before we can say HTA, Oversight Board,
23 everyone's good with this happening in the Title VI,
24 but I --

25 THE COURT: Okay, fair enough.

1 MS. DALE: Thank you.

2 THE COURT: Let me just make it clear. It's
3 going to be heard somewhere, and it's going to be heard
4 sooner rather than later, and it's going to be heard on
5 the merits somewhere; okay? I'm not sure any of the
6 above of where it is and who that leaves standing as to
7 the party advocating which position, but I think it
8 needs to be decided on the merits somewhere.

9 MR. SOVEN: We agree.

10 THE COURT: All right. So in the -- and I'd
11 like a status report that Judge Swain can address at
12 the Omni, and the Omni is June 6th in Puerto Rico, so
13 if you can file it by June 4th? The status report
14 should have the appropriate form, you know, the
15 context; an agreement as to the issues to be decided; a
16 statement as to what form the hearing you envision to
17 be -- do you envision it as an evidentiary hearing, and
18 if so, who are the witnesses? -- do you need additional
19 discovery and, if so, what it is; and a briefing
20 schedule. I think the easiest briefing schedule would
21 be to sort of take the motion to dismiss, as I'm
22 hearing it, and use that as the moving paper in
23 whatever form it is, but I leave it to you, but a
24 briefing schedule that would be completed by June 15th.

25 Now, I think that, if it's in the Title VI maybe

1 officially, it can't really be filed until the voting's
2 done, your moving paper, until you've actually got all
3 your votes to submit it, so maybe the briefing schedule
4 is more on the motion to dismiss side and that you
5 agree to then have those papers be used in the Title VI
6 or -- I'm not real clear on who all the parties are so
7 whether that actually lines up, but I think you need to
8 think about it; all right? And I think it needs to be
9 completed so that Judge Swain has at least ten days to
10 figure out, if she needs a hearing, how to rule on it,
11 something like that.

12 Does that make sense?

13 MS. DALE: Yes.

14 THE COURT: Anybody got any questions or
15 comments?

16 MR. SOVEN: I mean, I think Your Honor said the
17 money's not going anywhere, but is there anything --

18 THE COURT: I'm not going to issue -- if I -- I
19 don't -- if I issue an order, I have to do it as a
20 report and recommendation. Everything is done here.

21 As of now, it cannot be disbursed while the
22 RSA -- before the RSA is approved; okay? So if there
23 is a -- and everybody's agreed to that. I mean, I
24 don't think that's disputed at all; right? GDB is
25 definitely standing up, and everybody else is nodding.

1 So we have until at least this issue being
2 presented to Judge Swain when it's not going anywhere;
3 okay?

4 MR. SOVEN: All right. Thank you.

5 THE COURT: All right. Is this going to be one
6 where we all roll our eyes when I go, and then we get
7 briefing on, What did I mean? I hate those briefs.

8 MR. SOVEN: I don't think so.

9 THE COURT: Everybody okay?

10 MS. DALE: Yeah.

11 MR. MUNGOVAN: Yes, Your Honor.

12 THE COURT: All right. If you have any
13 questions about any of it, just let's do it on the
14 telephone conference or something, but the goal is by
15 June 4th to have this agenda on how this is going to
16 get teed up; okay?

17 Is there anything else on the status conference
18 that we need to address? No?

19 Okay. Thank you all.

20 MR. SOVEN: All right. Thank you very much,
21 Your Honor.

22 MS. DALE: Thank you, Your Honor.

23 MR. MUNGOVAN: Thank you, Your Honor.

24 MS. TRELLES: Thank you, Your Honor.

25 THE CLERK: Court is in recess.

(Adjourned, 2:32 p.m.)

C E R T I F I C A T I O N

I, Debra D. Lajoie, RPR-FCRR-CRI-RMR, do
hereby certify that the foregoing pages are a true and
accurate transcription of my stenographic notes in the
above-entitled case.

/s/ Debra D. Lajoie

5/29/18